

Compound Interest and Depreciation

November 2022 Paper 2

23 Ella invests £7000 for 2 years in an account paying compound interest.

In the first year, the rate of interest is 3%

In the second year, the rate of interest is 1.5%

Work out the value of Ella's investment at the end of 2 years.

£.....

(Total for Question 23 is 3 marks)

November 2023 Paper 2

- 24** Andrew invests £4500 in a savings account for 2 years.
The account pays compound interest at a rate of 3.4% per year.

Calculate how much Andrew has in this savings account at the end of the 2 years.

£.....

(Total for Question 24 is 2 marks)

June 2024 Paper 3

- 25** A company has 25 000 workers.
The number of workers increases at a rate of 6% per year for 3 years.
Calculate the total number of workers at the end of the 3 years.

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(Total for Question 25 is 4 marks)

November 2024 Paper 3

- 26 Peter invests £4500 in a savings account for 3 years.
He gets 1.8% per year compound interest.

Work out the total amount of interest Peter gets.

£.....

(Total for Question 26 is 3 marks)

June 2022 Paper 2

26 A new phone cost £679

The value of the phone decreases at a rate of 4% per year.

Work out the value of the phone at the end of 3 years.

£.....

(Total for Question 26 is 3 marks)

June 2023 Paper 2

- 27 Tamsin buys a house with a value of £150 000
The value of Tamsin's house increases by 4% each year.

Rachel buys a house with a value of £160 000
The value of Rachel's house increases by 1.5% each year.

At the end of 2 years, whose house has the greater value?
You must show how you get your answer.

(Total for Question 27 is 4 marks)